

INFORMATIONAL LETTER NO. 2047-MC-FFS

DATE: September 19, 2019

TO: Iowa Medicaid Physicians, Maternal Health Centers, Rural Health Clinics, Clinics, Family Planning, Screening Centers, Certified Nurse Midwife, Federal Qualified Health Centers (FQHC), Nurse Practitioners, Infant and Toddler and Physician Assistants

APPLIES TO: Managed Care (MC), Fee-for-Service (FFS)

FROM: Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

RE: Third Party Liability (TPL) for Prenatal Care

EFFECTIVE: October 1, 2019

[Informational Letter 1828-MC-FFS¹](#) published September 18, 2017, provided claim processing guidance on the cost avoidance exceptions for prenatal care for pregnant women and preventive pediatric services, which include Early and Periodic Screening, Diagnostic and Treatment (EPSDT).

The Bipartisan Budget Act of 2018 (BBA 2018) eliminated the statutory exception for prenatal care services that had required states to apply pay-and-chase when the member has TPL (TPL includes private or employer-based health insurance, TRICARE and Medicare). As a result, there is no longer special treatment of claims for prenatal care for pregnant women. These revisions now require all prenatal claims to be cost avoided when there is other health insurance.

This change requires providers to submit claims to third party insurers before submitting them to Medicaid. This change is effective July 1, 2019, for managed care claims, and October 1, 2019, for FFS claims.

There is no change to the exception for preventive pediatric services. Pay-and-chase will continue to apply to claims for preventive pediatric services.

If you have any questions please contact the IME Provider Services Unit at 1-800-338-7909, or email at IMEproviderservices@dhs.state.ia.us.

¹ https://dhs.iowa.gov/sites/default/files/1828-MC-FFS_TPLPrenatalandPediatricPreventiveServices.pdf?091020191354